

1 Q I'm just asking if you have reviewed that testimony,  
2 that transcript since you gave it back in January?

3 A No, I did not.

4 MR. BAAY: Okay. Your Honor, LLOG filed its  
5 Exhibit List at 1603, and we're not going to use very many  
6 of these exhibits. Can I -- but I wanted to go ahead, just  
7 a housekeeping matter, and offer the exhibits that we have  
8 an agreement with Debtors' counsel, so that we get those  
9 into evidence. And I may use a couple of them this evening,  
10 if that's okay.

11 THE COURT: Which ones are there an agreement on?

12 MR. BAAY: The ones agreement are our L-1 and L-2  
13 to 1 and 2.

14 THE COURT: So you're offering 1603-1 and 1603-2?

15 MR. BAAY: Yes, Your Honor.

16 THE COURT: Any objection to the admission of  
17 1603-1 and 1603-2?

18 Hold on. Ms. Hayden, I actually think you're  
19 calling to ask your own questions, but I need to know if you  
20 have any objections to those, since you raised your hand, as  
21 well.

22 (No verbal response)

23 THE COURT: Does any party object to 1603-1 or 2?

24 MR. PEREZ: Do you have any objection?

25 MS. CHOI: Yes.

1 MR. PEREZ: Your Honor, Ms. Choi is --

2 MS. CHOI: No objection.

3 (Participants speak simultaneously)

4 MR. PEREZ: We have no objection, Your Honor.

5 MR. BAAY: The next set is L-4 through L --

6 (Participants speak simultaneously)

7 THE COURT: Hold on, hold on. Wait, wait, wait.  
8 I've got somebody else that wants to speak. Let me find  
9 them.

10 Mr. Genender, your line is active already. You  
11 don't need to press five-star. Go ahead.

12 UNIDENTIFIED: No objection, Your Honor.

13 THE COURT: Thank you. All right. There are no  
14 objections, 1603-1 and 2 are admitted.

15 (LLOG Exhibits 1603-1 and 1603-2 received in evidence.)

16 THE COURT: Go ahead, please, Mr. Baay.

17 MR. BAAY: The next set is L-4 through L-6, which  
18 is at 1603-4 through 1603-6.

19 THE COURT: Any objection to 1603-4, 5, and 6?

20 (No verbal response)

21 THE COURT: All right. They are admitted.

22 (LLOG Exhibits 1603-4 through 1603-6 received in  
23 evidence.)

24 MR. BAAY: So Exhibits L-8 through L-20 is at  
25 1603-8 through 1603-21.

MICHAEL DANE - CROSS BY MR. BAAY

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1 THE COURT: Any objection to 1603-8 through 21?

2 THE COURT: We do have --

3 MS. CHOI: No objection.

4 THE COURT: We do have an objection. Hold on, let  
5 me see who we have.

6 Ms. Hayden, your line is active. Go ahead, you  
7 don't need to press five-star again. Do you have an  
8 objection?

9 (No verbal response)

10 THE COURT: Ms. Hayden?

11 (No verbal response)

12 THE COURT: Ms. Hayden, you may have your own line  
13 muted.

14 MS. HAYDEN: I apologize. I was not meaning to  
15 object to this, Your Honor. I apologize.

16 THE COURT: Oh, no problem.

17 MS. HAYDEN: I was really meaning --

18 THE COURT: I'm going to leave your line active,  
19 so that you can ask questions when Mr. Baay is done.

20 MS. HAYDEN: Okay. Thank you.

21 THE COURT: Thank you.

22 All right. 1603-8 through 21 are admitted.

23 (LLOG Exhibits 1603-8 and 1603-21 received in  
24 evidence.)

25 MR. BAAY: And the last set, Your Honor, is L-24

1 through L-40, which are found at Docket 1603-25 through  
2 1603-41.

3 THE COURT: Any objection to 25 through 41?

4 (No verbal response)

5 THE COURT: 1603-25 through 41 are admitted.

6 (LLOG Exhibits 1603-25 through 1603-41 received in  
7 evidence.)

8 MR. BAAY: Thank you, Your Honor.

9 BY MR. BAAY:

10 Q Mr. Dane, are you familiar with Fieldwood overriding  
11 royalty interest in Green Canyon 201 in the northeast corner  
12 of 17,000 feet?

13 A Yes, I'm -- yes, I am.

14 Q Okay. That is an overriding royalty interest that was  
15 acquired from Shell in 2015, correct?

16 A I believe so.

17 Q And based on the Amended Disclosure Statement, that  
18 interest is being sold to the Credit Bid Purchaser, correct?

19 A Correct.

20 Q And it's being sold free and clear of any liens,  
21 correct?

22 A That's my understanding.

23 Q And it's Fieldwood's position that I believe you  
24 learned during your testimony in January that Fieldwood was  
25 taking the position that LLOG does not have a security

1 interest in this -- I understand that Fieldwood previously  
2 had a working interest in these wells, that Fieldwood non-  
3 consented its interest in these wells. And that non-  
4 consent, in and of itself, I don't believe would have  
5 eliminated a plugging and abandonment liability.

6 But I do know that these wells were sidetracked and  
7 that it's a complicated -- it's a more complicated issue  
8 because additional and subsequent plugging and abandonment  
9 liability was created. So this unique situation, I think,  
10 is one that I would need to explore further to be able to  
11 answer that question.

12 MR. BAAY: Okay. That's all the questions I have.  
13 Thank you very much.

14 THE COURT: Mr. Baay, thank you.

15 Ms. Hayden.

16 MR. PEREZ: Your Honor, before we leave that, I  
17 think that, with respect to two of the exhibits, they were  
18 only admitted as -- for a limited purpose. I think 1630-40  
19 and 1630-41. I don't know if that's correct or not.

20 THE COURT: Mr. Baay, were they offered for all  
21 purposes or for a limited purpose?

22 MR. BAAY: I believe they were offered for all  
23 purposes, but I'll -- I will -- let me just look and see  
24 which ones those are.

25 I'm sorry. Tell me the numbers again, Mr. Perez.

1 THE COURT: 1603-40 and 1603-41.

2 (Pause in proceedings)

3 MR. BAAY: Those are business records that were  
4 offered for all purposes. I don't know what limited purpose  
5 it would be.

6 THE COURT: What do you believe the limit --

7 MS. CHOI: Your Honor?

8 THE COURT: -- should be?

9 Ms. Choi?

10 MS. CHOI: Your Honor, this is Erin Choi on behalf  
11 of the Debtors.

12 We think these letters should not be admitted for  
13 the truth, but only for the fact that they were sent.

14 (Pause in proceedings)

15 MR. BAAY: Your Honor, and I think they're  
16 business records, they're two letters. I think they'll --

17 THE COURT: Yeah, I'm looking at them.

18 MR. BAAY: For this objection, they're a business  
19 record.

20 MS. CHOI: They haven't been proven up.

21 MR. BAAY: I know that. But I thought that's why  
22 we had an -- I thought that's what our agreement was other  
23 day, is that we didn't have to prove these up.

24 THE COURT: So 41. The only -- I think the only  
25 statements of fact in there are they consider it closed,

1 right? I mean, is there really a problem with 41? I'm just  
2 trying to understand what we got.

3 MS. CHOI: Your Honor, 41, it's probably fine.  
4 It's 40 that we're concerned mostly about here.

5 (Pause in proceedings)

6 THE COURT: Tell me why it's not a business  
7 record, even though you all were stipulating. Are you  
8 alleging it's not a business record and you want them to  
9 prove that up? I mean, I may go there, but is that the  
10 issue?

11 MS. CHOI: Your Honor, in our agreement, we agreed  
12 to admit this for a limited purpose, so.

13 THE COURT: Is there some writing on that or was  
14 this all done orally?

15 MS. CHOI: Let me check, Your Honor.

16 THE COURT: Okay.

17 (Pause in proceedings)

18 MS. CHOI: Your Honor, it appears that we -- this  
19 was discussed orally.

20 THE COURT: Okay. I'm going to leave it admitted.  
21 I'm going to ask Mr. Baay to file a business records  
22 affidavit, and then we'll determine if we're admitting it  
23 for all purposes or for limited purposes. I'll listen to  
24 the argument on that when we get to the close.

25 MS. CHOI: Okay.